



## CITY OF LODI

## COUNCIL COMMUNICATION

**AGENDA TITLE:** Adopt a Resolution Approving the Agreement with GFLIP III, L.P., a California Limited Partnership, for the Purchase of City-Owned Property West of and Adjacent to 1255 South Beckman Road, and Direct the City Manager and City Clerk to Execute the Agreement on Behalf of the City; and Appropriate Funds for Reimbursements to be Credited Against the Purchase Price of the Property

**MEETING DATE:** June 20, 2001

**PREPARED BY:** Public Works Director

**RECOMMENDED ACTION:** That the City Council adopt a resolution approving an agreement with GFLIP III, L.P., a California Limited Partnership, for the purchase of City-owned property west of and adjacent to 1255 South Beckman Road, direct the City Manager and City Clerk to execute the agreement on behalf of the City, and appropriate funds for the reimbursement to be credited against the purchase price of the property.

**BACKGROUND INFORMATION:** Over the course of the last several years, GFLIP III, L.P., a California Limited Partnership (Geweke), has held discussions with City staff regarding the development of their properties located east of Highway 99 and north of Kettleman Lane. Since Beckman Road was to be realigned to the east, the proposed development plan included the purchase of City-owned property containing the drainage canal and old Beckman Road right-of-way west of and adjacent to their property. The intent was to incorporate the City-owned property (2.298 acres) into the project site for an auto dealership to be located at 1255 South Beckman Road (Exhibit A).

In 1998, GFLIP III dedicated the street easement necessary for the realignment of Beckman Road, at no cost to the City, in order to facilitate the City's Highway 12 - Kettleman Lane/SR 99 project that included the construction of the Beckman Road improvements (Exhibit A). The street easement dedication included excess street width of 6 feet for which GFLIP III is entitled to reimbursement by the City in conformance with LMC §16.24. Additionally, in 2000, in order to render the drainage canal property developable, GFLIP III installed, at substantial expense (approximately \$190,000.00), a storm drain pipe and appurtenant structures and backfilled the drainage canal under the terms of Encroachment Permit No. 200159 as shown on the approved improvement plans Drawing Nos. 00D030 through 00D033 and 00D084, which are on file in the Public Works Department.

A building permit application (B3711) has been submitted for the construction of the above-mentioned auto dealership on the property located at 1255 South Beckman Road. The purchase of the City-owned property is required before the project can proceed. The roadway was legally abandoned as a public right-of-way by Council action on May 2, 2001. The City will retain a public utility easement over the entire property.

An appraisal for the auto dealership site provided by GFLIP III entitled "Appraisal of 4.48± Acres North of Kettleman Lane on Beckman Road, Lodi, California" prepared by Duncan, Duncan & Associates and

APPROVED:

  
H. Dixon Flynn -- City Manager

Adopt a Resolution Approving the Agreement with GFLIP III, L.P., a California Limited Partnership, for the Purchase of City-Owned Property West of and Adjacent to 1255 South Beckman Road, and Direct the City Manager and City Clerk to Execute the Agreement on Behalf of the City; and Appropriate Funds for Reimbursements to be Credited Against the Purchase Price of the Property

June 20, 2001

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dated May 17, 2000, was used to establish the value of the City-owned property at \$5.50 per square foot or \$239,580.00 per acre. The appraisal was for financing purposes and is probably high. The value was reduced by ninety-five percent (95%) to \$11,980.00 per acre to reflect the substantial loss of value due to the public utility and street easement encumbrances on the properties.

As mentioned above, GFLIP III is entitled to be paid for excess street width (6 feet) in conjunction with the street easement dedication for the Beckman Road alignment. The terms of the agreement for the purchase of City-owned property include a reduction in the purchase price to cover the excess width street easement dedication (6 feet) in Beckman Road. The amount of the reduction, based on the land value established above, is \$2,540.00. An appropriation of \$2,540.00 from the Local Streets Development Impact Mitigation Fee Fund is necessary to allow the full purchase price to be deposited to the Street Fund upon receipt of payment from GFLIP III.

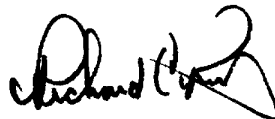
The agreement for the purchase of the City-owned property has been executed by GFLIP III.

Reimbursement to the City for the improvements in Beckman Road that benefit the GFLIP III property will be made under the terms of a separate agreement that has also been executed by GFLIP III and will be brought to Council for approval by separate action.

FUNDING: Development Impact Mitigation Fees (Streets-Local) \$2,540.00

Funding Available:

Randy R. Hays for  
Vicky McAthie, Finance Director



Richard C. Prima, Jr.  
Public Works Director

Prepared by Sharon A. Welch, Senior Civil Engineer

RCP/SAW/lm

Attachment

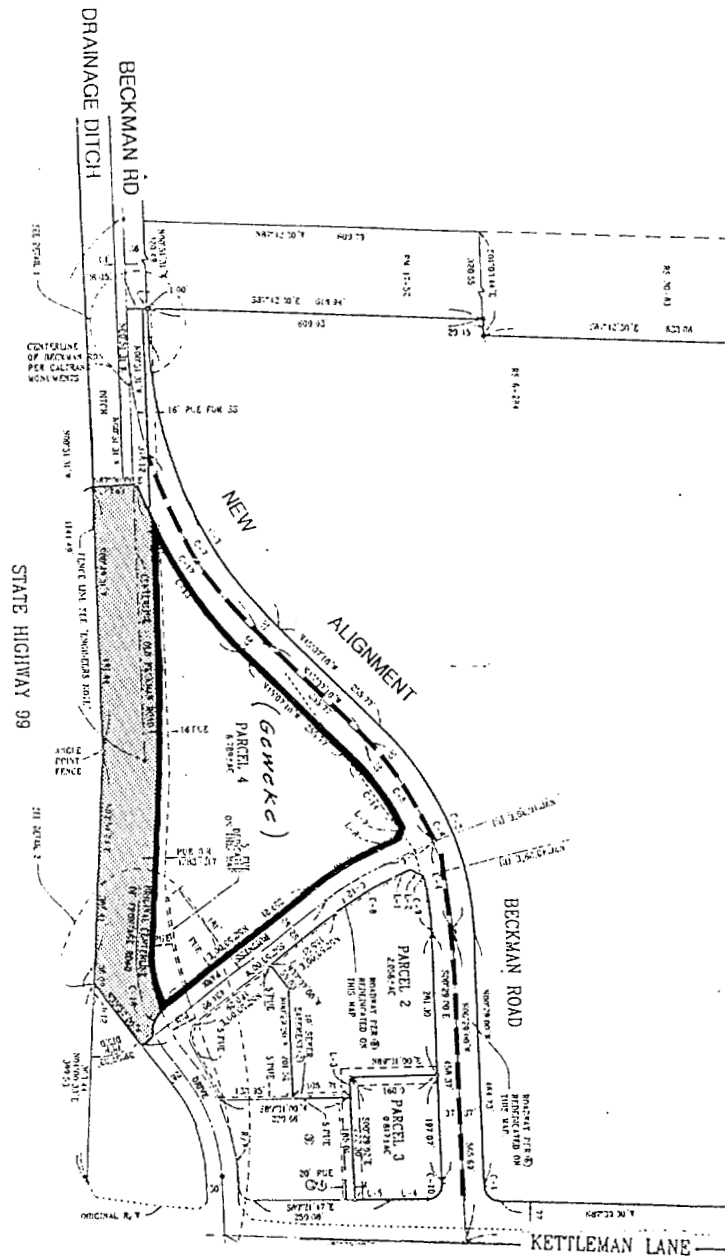
cc: Randy Hays, City Attorney  
Sharon Welch, Senior Civil Engineer  
GFLIP III, L.P.



# CITY OF LODI

PUBLIC WORKS DEPARTMENT

## EXHIBIT A



### LEGEND

6-FT EXCESS STREET WIDTH  
OLD BECKMAN ROAD ALIGNMENT & DRAINAGE CANAL



RESOLUTION NO. 2001-162

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING THE  
AGREEMENT WITH GFLIP III, L.P., A CALIFORNIA LIMITED PARTNERSHIP,  
FOR THE PURCHASE OF CITY-OWNED PROPERTY WEST OF AND  
ADJACENT TO 1255 SOUTH BECKMAN ROAD, AND APPROPRIATE FUNDS  
FOR THE REIMBURSEMENTS TO BE CREDITED AGAINST THE  
PURCHASE PRICE OF THE PROPERTY

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BE IT RESOLVED, that the Lodi City Council approves an agreement with GFLIP III, L.P., a California Limited Partnership, for the purchase of City-owned property west of and adjacent to 1255 S. Beckman Road and directs the City Manager and City Clerk to execute the agreement on behalf of the City; and

BE IT FURTHER RESOLVED, that the Lodi City Council appropriates \$2,540.00 from the Development Impact Mitigation Fees (Streets-Local) for the reimbursement to be credited against the purchase price of the property.

Dated: June 20, 2001

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I hereby certify that Resolution No. 2001-162 was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 20, 2001, by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Howard, Land, Pennino and  
Mayor Nakanishi

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

  
SUSAN J. BLACKSTON  
City Clerk

CITY COUNCIL

ALAN S. NAKANISHI, Mayor  
PHILLIP A. PENNINO  
Mayor Pro Tempore  
SUSAN HITCHCOCK  
EMILY HOWARD  
KEITH LAND

CITY OF LODI  
PUBLIC WORKS DEPARTMENT

CITY HALL, 221 WEST PINE STREET  
P.O. BOX 3006  
LODI, CALIFORNIA 95241-1910  
(209) 333-6706  
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EMAIL [pwdept@lodi.gov](mailto:pwdept@lodi.gov)  
<http://www.lodi.gov>

H. DIXON FLYNN  
City Manager  
SUSAN J. BLACKSTON  
City Clerk  
RANDALL A. HAYS  
City Attorney  
RICHARD C. PRIMA, JR.  
Public Works Director

June 15, 2001

GFLIP III, L. P.  
P.O. Box 1210  
Lodi, CA 95241

SUBJECT: Adopt a Resolution Approving the Agreement with GFLIP III, L.P., a California Limited Partnership, for the Purchase of City-Owned Property West of and Adjacent to 1255 South Beckman Road, and Direct the City Manager and City Clerk to Execute the Agreement on Behalf of the City; and Appropriate Funds for Reimbursements to be Credited Against the Purchase Price of the Property

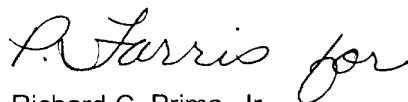
Enclosed is a copy of background information on an item on the City Council agenda of Wednesday, June 20, 2001. The meeting will be held at 7 p.m. in the City Council Chamber, Carnegie Forum, 305 West Pine Street.

This item is on the consent calendar and is usually not discussed unless a Council Member requests discussion. The public is given an opportunity to address items on the consent calendar at the appropriate time.

If you wish to write to the City Council, please address your letter to City Council, City of Lodi, P. O. Box 3006, Lodi, California, 95241-1910. Be sure to allow time for the mail. Or, you may hand-deliver the letter to City Hall, 221 West Pine Street.

If you wish to address the Council at the Council Meeting, be sure to fill out a speaker's card (available at the Carnegie Forum immediately prior to the start of the meeting) and give it to the City Clerk. If you have any questions about communicating with the Council, please contact Susan Blackston, City Clerk, at (209) 333-6702.

If you have any questions about the item itself, please call Sharon Welch, Senior Civil Engineer at (209) 333-6800, extension 2659.



Richard C. Prima, Jr.  
Public Works Director

RCP/pmf

Enclosure

cc: City Clerk

NCSELL1255SBECKMAN